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Managing political and economic change: Perspectives on conflict and cooperation

In our present age, it has become obvious that only a regulated market economy along with a political system of democracy which is capable of producing governments of great power and stability allows society to make decisions and maintain the ability to produce into the future. However, this stable and successful outcome requires credibility, transparency, and accountability from institutions, political leaders, bankers, and corporate managers. A cooperative attitude, a clearly defined goal or vision, and a common belief system are other ingredients necessary to reach this state of stability. Furthermore, the closer nations, multinational corporations, international organizations, foreign economic policy, and domestic economic policy are in sync, the more likely is prosperity, peace, and coherence among nations. All these factors and processes together support, foster, and simplify strategies of organizational adaptation to global economic change.

This short reflective paper deals with political and economic change and outlines some of the steps developing countries and nations already in transition have to undertake to become more integrated and accepted to the “global village”. While the concept of collective learning creates positive feedback loops and can be seen as the primary source of change, cultural and socioeconomic factors create constraints and often result in conflicts and disharmony. To overcome these problems is not an easy task. However, the presented process of change should guide nations in this manner, contribute to cooperation and conflict resolution as well as benefit all the participants in the long-term. Nevertheless, amid these fields of great uncertainty in today’s world, just one thing is certain: change is happening all the time!

Collective learning is probably the key concept in international political economy and international relations. It plays an essential role in the process of change and modernization. The social learning process of distinguishing legitimate patterns of adaptive behavior within a nation-state without losing cultural integrity results in a level playing field of conflict and cooperation (Isaak, 2000, p. 327). Moreover, economic, sociological, or anthropological analysis and perspectives often lead to different interpretations and can explain the different outcomes resulting from the decision making processes and implemented policies. Especially, the dynamics of the relationships between governmental leaders, internal institutions, and external factors determine the success of a nation on the global scale. To become integrated on the world stage and reach the level of prosperity cooperation is just one but an inevitable ingredient on a long and strenuous journey of change.

Conflict and cooperation are two sides of the same coin, and appear to be “ubiquos”. They generate fields of tension, up and downs, and success and failure within countries and regions. Economic, political, and social (cultural) factors mark the constraints, limit, and complicate the need for change. These three pillars define the main framework in within the internal process of change has to take place. The transfer of technology and knowledge which are just the two most important external resources, of course, impact the transition process to some extent, too. However, the very process has to start within a country and involves a couple of sequential steps. First of all, establishing a sense of urgency helps to overcome most sources of complacency. Probably a good rule of thumb in a major change effort is: Never underestimate the magnitude of the forces that reinforce complacency that help maintain the status quo. Creating an effective guiding coalition which is based upon position power, expertise, credibility, and political leadership qualities marks the next important stage in economic change. Developing a compelling vision and

strategy is key and helps direct the change effort as well as fosters the understanding of the range of strategic choices available. Furthermore, the chosen strategic decisions have to be communicated in a clear and simple manner. In addition, obstacles which threaten the potential outcome must be eliminated, systems and structures that undermine the change process need to be removed and replaced by short-term visible improvements. Moreover, to use the credibility gained from early "wins", to bring other structures and processes into alignment with the change vision, and the anchoring process in this new culture are essential stages towards the end of political and economic change.

Culture, which refers to norms of behavior and shared values among a group of people, has a powerful influence on human behavior, since it is almost impossible to change. Because of the facts that individuals are selected and indoctrinated so well, culture exerts itself through the actions of hundreds or thousands of people, and all of this happens without much conscious intent and thus is difficult to challenge or even discuss. There are many forces at work creating a dynamic, complex and messy environment. Another component of culture is related to the attitude, intrinsic motivation, and expectation of the people. Most transforming countries or nations already in the process of change are strongly rooted to religious beliefs which define a different set of value, right and wrong, or good and bad, and therefore create conflicts and new problems. Thus, cultural change is far more complicated than economic or political change and should come last.

Nonetheless, and because of these constraints, difficulties, and the complexity of issues such as education, technology transfer, and financing economic changes North-South as well as East-West relations will persist and just slowly diminish. In addition, the timing and coordination aspect are two other very important factors that determine, affect and influence the whole process. Moreover, without extensive political, social, and economic reform in the LDCs as well as

international efforts at redistribution and development, the conflict over equity is likely to continue to be a political dynamic in the international system (Spero and Hart, 2003, p. 394).

However, this implies that the burden rests not only on the shoulders of the developing countries but also has some implications for the developed nations and requires their involvement in the change process. The coordination of speed and integration of the arrangements mentioned above along with the political and social change has to keep pace with the technological change. To be in flux means adapting, anticipating, learning, and implementing on a continuous basis. This process of convergence between developing and developed countries leads to a shift of world powers, away from the stable hegemonic system as it is today. The world becomes more and more multipolar, and with the raising powers of Asia, and especially China, international change becomes increasingly unpredictable and uncertain. And this could probably result in a major shift over the next century or so. On the other hand, even though the steps and measures of the transformation process outlined and discussed before seem primary to be true for developing countries, developed countries from the West and North must rethink, manage, and assess their relations with other nation-states on a regular basis: strategic partners and alliances are absolutely necessary in the era of globalization; create interdependence, and hopefully more stability.

In conclusion, to reach the stable and prosperous world stage addressed in the opening section, conflict resolution and cooperation can maximize a successful political and economic change. However, just because everything seems friendly and reciprocal, does not imply that there aren't any conflicts boiling under the surface. And even though cooperation is important, talking about trust and taking relationships with strategic partners for granted would be foolish and careless. Always keep Henry Kissinger's saying in mind: "Nations don't have friends, they have interests."